

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Balance Sheet**  
**As of 10/31/2007**

12/7/2007

	As of <u>10-31-07</u>	As of <u>6-30-07</u>
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 773,448,756	\$ 770,492,688
INTERNATIONAL EQUITIES	508,040,225	490,001,433
DOMESTIC FIXED INCOME	376,999,831	344,949,636
INTERNATIONAL FIXED INCOME	92,347,102	84,675,151
REAL ESTATE	216,635,766	212,437,075
ALTERNATIVE INVESTMENTS	91,385,196	87,610,571
INVESTED CASH (NOTE 1)	<u>944,137</u>	<u>16,588,981</u>
 TOTAL INVESTMENTS	 2,059,801,013	 2,006,755,535
 <b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	7,884,464	8,366,607
CONTRIBUTIONS RECEIVABLE	771,658	8,058,323
MISCELLANEOUS RECEIVABLE	<u>2,461</u>	<u>3,064</u>
 TOTAL RECEIVABLES	 8,658,583	 16,427,994
 <b>OTHER ASSETS</b>		
OPERATING CASH (NOTE 3)	9,777,379	9,950,883
FIXED ASSETS (NET OF ACCUM DEPR)	<u>789,382</u>	<u>789,382</u>
 TOTAL ASSETS	 <u><u>\$ 2,079,026,357</u></u>	 <u><u>\$ 2,033,923,794</u></u>
 <b>LIABILITIES:</b>		
ACCOUNTS PAYABLE	14,472	57,716
ACCRUED EXPENSES	267,665	483,601
CAPITAL LEASE PAYABLE	1,210	1,210
INVESTMENT EXPENSES PAYABLE	<u>3,602,238</u>	<u>3,603,855</u>
 TOTAL LIABILITIES	 3,885,585	 4,146,382
 <b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	2,029,777,412	1,721,308,223
CASH IN DURING YEAR (NOTE 4)	49,773,999	154,153,000
CASH OUT DURING YEAR (NOTE 5)	49,773,999	154,153,000
NET INCREASE (DECREASE)	<u>45,363,360</u>	<u>308,469,189</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>2,075,140,772</u>	 <u>2,029,777,412</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 2,079,026,357</u></u>	 <u><u>\$ 2,033,923,794</u></u>

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Profit and Loss Statement**  
**For the Month Ended 10/31/2007**

	Month Ended <u>10-31-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,304,067	\$ 16,090,914
SECURITIES LENDING INCOME	178,949	2,193,529
	<u>3,483,016</u>	<u>18,284,443</u>
GAIN ON SALE OF INVESTMENTS	24,189,682	82,822,163
LOSS ON SALE OF INVESTMENTS	<u>10,474,176</u>	<u>48,730,747</u>
NET GAINS (LOSSES) INVESTMENTS	13,715,506	34,091,416
INVESTMENT EXPENSES	691,525	4,029,412
SECURITIES LENDING EXPENSES	<u>167,885</u>	<u>2,063,125</u>
NET INVESTMENT INCOME	16,339,112	46,283,322
NET APPREC (DEPREC) MARKET VALUE	33,595,466	29,541,524
MISCELLANEOUS INCOME/(EXPENSE)	<u>(268,905)</u>	<u>(248,837)</u>
TOTAL INVESTMENT INCOME	49,665,673	75,576,009
CONTRIBUTIONS & ASSESSMENTS (NOTE 6)	6,524,646	9,133,606
PURCHASED SERVICE CREDIT (NOTE 7)	134,978	561,925
PENALTY & INTEREST (NOTE 8)	<u>5</u>	<u>23</u>
TOTAL ADDITIONS	<u>56,325,302</u>	<u>85,271,563</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 9)	8,867,930	35,247,408
PARTIAL LUMP SUM BENEFITS PAID	0	244,102
REFUNDS TO MEMBER (NOTE 10)	<u>372,881</u>	<u>3,993,942</u>
TOTAL BENEFITS PAID	9,240,811	39,485,452
ADMINISTRATIVE EXPENSES	146,098	422,751
TOTAL DEDUCTIONS	<u>9,386,909</u>	<u>39,908,203</u>
NET INCREASE (DECREASE)	<u>\$ 46,938,393</u>	<u>\$ 45,363,360</u>

**TEACHERS' FUND FOR RETIREMENT**  
**Notes To Financial Statements**  
**October 31, 2007**

12/7/2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1            INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 3            OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 4            CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 5            CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6            CONTRIBUTIONS

Contributions on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution of 15.5 percent that must be remitted monthly.

NOTE 7            PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

# TEACHERS' FUND FOR RETIREMENT

12/7/2007

## Notes to Financial Statements

10/31/2007

### NOTE 8            PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions.

### NOTE 9            BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

### NOTE 10          REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.